



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

June 17, 2013

To: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Sheryl L. Spiller, Director
Department of Public Social Services

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UPDATE TO THE IN-HOME SUPPORTIVE SERVICES PROVIDER WAGE INCREASE APPROVAL

On June 11, 2013, the Board directed the Chief Executive Officer (CEO) and the Department of Public Social Services (DPSS) to provide administrative and statutory options for making the 2012 wage increase to In-Home Supportive Services (IHSS) wage earners of \$9.65 per hour retroactive to January 1, 2013.

The CEO and DPSS would like to propose an option of a one-month prospective \$0.79 per hour wage increase for current IHSS providers. This increase would be equivalent to what these current providers would have received on average if their wage had been increased to \$9.65 per hour effective January 1, 2013. Under this option, the IHSS provider wage would be increased from \$9.65 per hour to \$10.44 per hour for the month of July only for providers who deliver IHSS services during the month of July 2013. The one-month \$0.79 per hour increase also compensates for the Statewide 4.4 percent reduction in hours that takes effect July 1, 2013. Effective August 1, 2013, the wage would revert back to \$9.65 per hour. This option has been discussed with the California Department of Social Services which agrees that this option is viable, and has agreed to pay the standard State share.

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The benefits of this option include:

- No State legislative change is required. As with any standard wage increase, the State will seek federal approval;
- No impact to County's ongoing IHSS Maintenance of Effort (MOE), based on discussions with the State;
- No administrative cost or operational impact to process prospective payments; and
- No impact to the Los Angeles County's implementation of the Case Management Information and Payrolling System II (CMIPS II). Los Angeles County is scheduled to transition to the new Statewide CMIPS II system on July 31, 2013. A prospective payment eliminates the need for any manual processing. Manual processing of retroactive payments would potentially affect the County's ability to process all retroactive payment transactions prior to July 31, 2013.

We believe that this option provides the best approach to accelerating the processing of payments to IHSS providers as no legislative change or manual processing is required. In addition, this option has no impact to the IHSS MOE or implementation of CMIPS II.

WTF:SLS
AP:SF:ljp

c: Executive Office, Board of Supervisors
County Counsel